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Romanian bovine exports disrupted by Bluetongue disease

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Report Highlights:

Romanian annual live bovine exports account for a third of the calf production. Following the recent Bluetongue outbreaks, Romanian live bovine exports are anticipated to decline in 2014. Various strategies for controlling the disease are discussed, including vaccination. United States remains an important player on the genetics market, with bovine semen exports to Romania growing by 18 percent during the first 8 months of 2014.

General Information:

Bluetongue outbreak detection

In mid-August, the first case of Bluetongue was detected in Romania, in Buzau county (south-east of Romania). By September 3rd, the disease had affected about 350 animals (bovines and sheep) from several counties, of which 9 percent had died. By mid-October, 1,895 animals located in more than half of the Romanian counties (26) had been infected, of which 384 had died. The Veterinary Authority undertook measures by establishing control areas on a radius of 20 km around the outbreak areas and prohibiting animal movement. In addition, the Veterinary Authority stressed out the importance of the cleaning and disinfection each animal grower must undertake in order to mitigate disease transmission. The speed of transmittal is expected to reduce as the vector insects become inactive when air temperatures drop. Bluetongue cases have not been reported at the level of commercial operations, outbreaks occurring only at the level of the backyard farms.

Trade restrictions due to Bluetongue

Upon the Romanian notifications to World Animal Health Organization (OIE) concerning the Bluetongue outbreaks, several countries decided to block Romanian live bovine imports. The announcement implied restrictions for export to EU countries as well. Live bovines are exported from Romania for fattening and slaughtering. Currently, cattle intended for export to EU destinations have to comply with the following conditions: live animals showing no disease symptoms, animals to be used for immediate slaughtering at the destination, and existence of the import agreement from the veterinary services in the importing EU member state.

Romania has been a significant live bovine exporter to EU member states and non-European countries. Trade data indicates that Romania exported in 2013 about 277,000 head of live bovines, of which exports to EU countries reached 187,000 head, with the balance of 90,000 head going to countries outside the EU. In 2013, Italy (57,000 head), Spain (53,000 head) and Croatia (44,000 head) were the main destinations accounting for about 83 percent of Romanian live bovine exports to European Union. Romanian live bovine exports to third countries were in 2013 dominated by Libya (25,000 head), Israel (39,000 head) and Jordan (12,000 head). Trade data pertaining to the first 8 months of 2014 indicate an increase of live bovine exports against the same timeframe in 2013. Nonetheless, the effects of the trade restrictions are not yet reflected in the export numbers, as the Bluetongue outbreaks occurred in the second half of August. Considering the volumes exported previously to countries which now apply import restrictions, it is expected that year-on-year exports will decline. Farmers have to cover now the supplementary costs incurred with animal feeding and care after essentially losing their export markets.

Bluetongue Vaccination Program under discussion

Given the rapid expansion of the disease, the Consultative Council of the Sanitary-Veterinary and Food Safety National Authority (ANSVSA), which includes representatives of cattle associations and veterinary medicines institutes, met on November 20th to discuss the opportunity of a vaccination program in 2015. The views regarding the strategy for disease control differed among participants, from

strong opposition to vaccination for Bluetongue corroborated with strong biosecurity measures to voluntary vaccination in commercial farms or vaccination only in backyard farms surrounding the commercial farms. Vaccination measures remain subject to further discussion.

Efforts for cattle herd improvement

In October 2014, in an effort to stimulate cattle herd improvement and farm size increase, the Romanian Government approved a decision for using the “*Minimis-aid*” for purchasing breeding cattle. According to this decision, the Romanian Government will cover the price of breeding heifers from specific breeds purchased by a farmer within the equivalent of USD 1,400/head (5,000 lei/head), which is roughly half of the breeding heifer price. Preliminary data indicates that the program has been oversubscribed, thus the Romanian Ministry of Agriculture is considering continuation of the program in 2015.

The above measure is intended to help Romanian farms improve their competitiveness before the EU milk quota is eliminated in 2015, when local farms will face more competition from large milk producing countries. The goal of improving genetic assets translated into a higher demand for high-quality genetics over the past few years. The import value of genetics (bovine semen) grew from U.S. \$509,000 in 2008 to U.S. \$553,000 in 2011 and U.S. \$971,592 in 2013. United States ranked in 2013 the second in the hierarchy of foreign genetics suppliers on the Romanian market, after Belgium (in terms of value). During the first 8 months of 2014, United States bovine semen exports to Romania grew by 18 percent, reaching U.S. \$105,813 USD (10,672 doses), compared to U.S. \$90,218 (6,862 doses) during the same timeframe in 2013, indicating a growing appetite for high-quality genetics.